

West Hawaii Today

DHHL officials: Superstore would benefit Native Hawaiians

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HILO -- Allowing Wal-Mart to build a "superstore" on Department of Hawaiian Home Lands property in Hilo will help speed the effort of providing Native Hawaiians affordable homes, say DHHL officials.

The Hawaii County Council plans to hold an executive session next week to determine whether the county can impose proposed zoning regulations on DHHL that would prevent it from leasing out property behind the existing Wal-Mart facility in Hilo so Wal-Mart could build one of its superstores on the land.

Hamakua Councilman Dominic Yagong requested the executive session and said last week he requested DHHL to provide comments on whether leasing DHHL property to Wal-Mart would be a good thing for Native Hawaiians.

Yagong also requested the council reconsider the bill during the meeting.

Yagong received a letter from Micah Kane, DHHL chairman, this week that states the proposed bill is "an attempt to limit our ability as a Native Hawaiian Trust to fulfill our fiduciary responsibility of providing affordable housing opportunities for our beneficiaries."

If DHHL is not allowed to generate revenue through commercial ventures, "there is no revenue, there is no infrastructure and there are no homes for the Native Hawaiian people," Kane wrote.

Lloyd Yonenaka, information and community relations officer for DHHL, said Tuesday that DHHL's responsibility is to put Native Hawaiians "on the land or back on the land."

"In order to do that, we spend a lot of money on infrastructure," Yonenaka said.

To provide infrastructure for an individual lot on Hawaiian Home Lands, he said it costs at least \$100,000.

While many Native Hawaiians complained to the council last week that they don't want a Wal-Mart Supercenter built on DHHL land, Yonenaka said Tuesday the move would generate at least \$550,000 per year in lease payments that could be used toward building infrastructure for Hawaiian Home Lands lots.

In recent years, the DHHL commission decided to use 1 percent of the 200,000 acres of Hawaiian Home Lands statewide for commercial businesses in an effort to raise money for infrastructure projects, he said.

In addition to the money DHHL collects for its commercial properties, it receives \$8.4 million per year in federal Native American Housing and Self Determination Act funds, about \$500,000 from the state Legislature annually and will receive about \$30 million per year from the state until 2015 as part of a legal settlement, Yonenaka said.

While \$30 million sounds "like a lot," he said those payments will expire in 2015.

Also, when considering the infrastructure costs, \$30 million only goes so far, Yonenaka said.

For instance, a DHHL project to provide infrastructure for 300 lots in Laiopua will cost at least \$30 million, he said.

When DHHL provides a property to a Native Hawaiian, DHHL doesn't charge anything for the infrastructure costs, Yonenaka said.

This way, it is more affordable for a Native Hawaiian to build a home, as the only thing he or she has to worry about is the mortgage because the annual lease payment is a \$1 stipend, he said.

When you consider there are 5,387 names of Native Hawaiians on a list who are waiting for property, that means DHHL will have to spend at least \$538 million in infrastructure costs to provide those lands, Yonenaka said.

With that in mind, the money generated by leasing property to Wal-Mart will certainly benefit Native Hawaiians, he said.

"I think people don't always understand the commercial lease is being used for their benefit," Yonenaka said, adding the money goes directly into a fund to pay for infrastructure costs.

The lease agreement being negotiated with Wal-Mart is for 65 years, which means over time the \$550,000 DHHL reaps on an annual basis is sure to grow, he said.

"It will be more as time goes by," Yonenaka said. "We have a tremendous opportunity to be self-sufficient."

Kane wrote that DHHL recognizes "that decades of reliance on government funding makes it difficult for some to embrace our new model of self-sufficiency, but an objective review of this new paradigm will show that it is superior to the old way of operating because it enables more families to move onto the land."

"The bottom line is that our ability to carry out our responsibility to the Native Hawaiian people is only possible over the long-term if we are able to reduce our reliance on government funding and achieve self-sufficiency," he wrote. "This model benefits both Native Hawaiians and the broader community."

Yagong said Wednesday, "the reason for my reconsideration is I want to make sure whether or not the amendment hurts the Hawaiians from getting on Hawaiian Home Lands or hurts. My objective was to gather the information."

"With the information, it certainly sheds a strong light ... that this is an important part of getting Hawaiians on that land," he said.

Yagong said he had always voted against the ban but voted in favor of the amendment from North Kona Councilman Angel Pilago to limit the ban to DHHL property because Yagong felt DHHL needs to do a better job of making land available for Native Hawaiians.

"I always voted against the ban," Yagong said. "I truly believe that government should not tell people how and where they can spend their hard-earned money."

With DHHL's revelation that leasing the property to Wal-Mart will help the cause of getting Native Hawaiians on the land faster, Yagong said the reconsideration of the amended bill is now necessary.